

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	42429	Agenda Number	9.
Meeting Date:	April 2, 2015			
Department:	Purchasing			
Subject				
<p>Authorize award, negotiation, and execution of a 36-month contract with TEXAS TENNIS CONSULTANTS, or one of the other qualified offerors to Request for Proposal No. TVN0047, to provide management services for Caswell Tennis Center, in an amount not to exceed \$117,000, with two 36-month extension options in an amount not to exceed \$117,000 per extension option, for a total contract amount not to exceed \$351,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$12,000 for the first 6 months of the contract is available in the Fiscal Year 2014-2015 Operating Budget of the Parks and Recreation Department. Funding for the remaining 30 months of the original contract period and extension options are contingent upon available funding in future budgets. It is anticipated that the \$117,000 will be covered by tennis court fees at the Caswell facility.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:	Best evaluated proposal received.			
Prior Council Action:	[REDACTED]			
For More Information:	Terry V. Nicholson, Sr. Buyer Specialist, 512-974-2995			
Boards and Commission Action:	<p>February 10, 2015 - Recommended by the Contracts and Commissions Committee of the Parks and Recreation Board. March 24, 2015 - Unanimously approved by the Parks and Recreation Board.</p>			
Related Items:	[REDACTED]			
MBE / WBE:	<p>This contract will be awarded in compliance with City Code Chapter 2-C Minority-Owned and Women-Owned Business Enterprise Procurement Program. Per the Small & Minority Business Resources Department (SMBR), no subcontracting opportunities were identified; therefore, no goals were established for this solicitation.</p>			
Additional Backup Information				

This contract is for the management and operation of Caswell Tennis Center, considered one of the oldest operating tennis facilities in the State of Texas. Centrally located, Caswell Tennis Center has eight lighted courts, one lighted practice wall, and a 400 square foot pro shop. The City will pay the contractor a monthly management fee; the contractor will collect court fees, manage court reservations, offer tennis programming utilizing contracted tennis professionals, and provide other related services at the facility.

The Parks and Recreation Department (PARD) has four professionally managed tennis centers located throughout the City. Previous community engagement feedback has informed the Department of the desire to allow each individual center to develop its own unique operational experience and refrain from standardization as is typical of a government-led operation. Additionally, the contractual model allows management companies to compete with tiered market rates for tennis pros based upon experience, which, depending can be upwards of \$60 per hour. Finally, a contracted approach to management is a fiscally responsible way to provide this specialized service without overtaxing the general fund.

Late last spring, the Parks department decided to reevaluate the existing the operations of the tennis in light of community input, and the decision was made to issue a Request for Proposal (RFP). In advance of issuing the RFP, PARD initiated a community outreach effort, meeting with all the major Austin Tennis Associations in April and May of 2014. In addition to that stakeholder input, the City conducted a survey on "SpeakUp Austin" in June and July of 2014 and received over 700 responses. All of this community outreach helped to shape the scope of work in the RFP, with a focus on customer service, online court reservations, daily use/maximizing court usage, and social media/marketing efforts.

The RFP was released on November 10, 2014, with a deadline submission of December 9, 2014. The Department received 6 responsive proposals and staff took 3 weeks to complete the evaluation process. The Purchasing Department verified the evaluation matrix to ultimately bring forward the selected contractor. Prior to issuing the RFP, the Small Minority Business Resource Department (SMBR) determined that there were no sub-contracting opportunities for this scope. The evaluation team, consisting of PARD personnel with expertise in this area, scored Texas Tennis Consultant's proposal as the best to manage and operate the tennis facility based on their business plan, experience and qualifications, financial viability, and local business presence. The scoring matrix for six proposals is attached.

Per the recommended contract, Texas Tennis Consultants will:

- Conduct business in a manner that will reflect positively upon the Vendor and the City
- Conduct customer service survey's and provide results to City
- Provide an on-line reservation system
- Provide tennis programming, services and merchandise that directly promote the use of the facility as a tennis center
- Collect all Council-approved fees
- Maximize court usage
- Receive 100% revenues from programming and retail sales
- Hire and train qualified staff for facility operation
- Provide all custodial services and supplies
- Enforce applicable municipal tennis center policies

Under the recommended contract, the City would:

- Grant vendor exclusive use of the Caswell Tennis Center for programming during the term of the agreement.
- Provide a monthly management fee of \$2,000 per month
- Provide a yearly annual productivity award of up to \$15,000 based on revenue, customer service, maximizing court usage, and programming
- Pay all utilities and maintain the facilities in good condition and repair (approximately \$60,000 over the three year period)
- Receive 100% of Council approved tennis court fee revenues (\$250,000 estimated 3-year revenues).

- Provide four parking hang tags for staff (current parking is Right-of-Way and not parkland).

Over the three year period, the City expects to net approximately \$73,000: the City would receive approximately \$250,000 in tennis court fee revenue, the vendor would receive up to \$117,000 in management fees and productivity awards, and the City would fund utilities and repairs in the amount of \$60,000. Tennis court fee revenue is deposited into General Fund revenue, while expenses are paid from PARD General Fund operating.

The current contract expires on 6/2/2015. The department estimates it will take at least 30 days for the new contractor to assume operations. Given these constraints, the authority to award needs to be approved by the end of March to insure enough negotiation time is available to execute the new contract by the end of April.

MBE/WBE solicited: 2/5

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. 275 notices were sent including two MBEs and five WBEs. Six proposals were received with no response from the MBEs/WBEs.
- c. The pricing offered represents a 15% decrease from the last contract issued in January of 2012.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal. Texas Tennis Consultants is not the current provider of these services.
- b. The Purchasing Office concurs with the Parks and Recreation Department's recommended award.
- c. Advertised in the Austin American Statesman and on the Internet.